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March 27, 2007

WM. TIMOTHY ALLEN, III

Direct: 318.934.0217
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Honorable James H. Welsh Commissioner of Conservation State of Louisiana Post Office Box 94275 Baton Rouge, Louisiana 70804-9275

RE: HEARING APPLICATION

Cotton Valley Formation, Reservoir A Hosston Formation, Reservoir A

Caspiana Field

DeSoto and Red River Parishes, Louisiana

Our File No.565868.2

Dear Sir:

On behalf of JUSTISS OIL COMPANY, INC., application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Cotton Valley Formation and Hosston Formation, Reservoirs A, in the Caspiana Field, DeSoto and Red River Parishes, Louisiana:

- 1. To create one (1) additional drilling and production unit (to be designated as CV RA SU128) for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, in the Caspiana Field, DeSoto and Red River Parishes, Louisiana, as shown on the plat attached hereto.
- 2. To create one (1) additional drilling and production unit (to be designated as HOSS RA SU132) for the exploration for and production of gas and condensate from the Hosston Formation, Reservoir A, in the Caspiana Field, DeSoto and Red River Parishes, Louisiana, as shown on the plat attached hereto.
- 3. To force pool and unitize all separately owned tracts, mineral leases, and other property interests within said units, with allocation of production from the unit well to the tracts within each such unit to be on the basis of surface acreage.
- 4. To designate Justiss Oil Company as operator of CV RA SU128 and HOSS RA SU132 to be created hereby.
- 5. To permit the Applicant to drill, designate and utilize the unit well and six (6) alternate unit wells for each of the proposed CV RA SU128 and HOSS RA SU132, at the locations shown

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on the plats attached hereto.

- 6. Except to the extent contrary herewith, to extend the provisions of Office of Conservation Order No. 191-A, effective February 15, 1975, and Office of Conservation Order No. 191-B, effective April 15, 1975, to the proposed units.
- 7. To consider such other matters and issue such orders as may be appropriate and justified by the evidence presented at the hearing.

The Cotton Valley Zone, Reservoir A, in the Caspiana Field, DeSoto and Red River Parishes, Louisiana, was fully defined in Office of Conservation Order No. 191-A, effective February 15, 1975, and was further defined in Order No. 191-A-5, effective February 22, 1983.

The Hosston Formation, Reservoir A, in the Caspiana Field, DeSoto and Red River Parishes, Louisiana, was fully defined in Office of Conservation Order No. 191-B, effective April 15, 1975.

Pertinent data regarding this application will be available for inspection at the offices of Blanchard, Walker, O'Quin & Roberts, Bank One Tower, 400 Texas Street, Suite 1400, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Mr. Wm. Timothy Allen III at (318) 221-6858, during normal business hours, or write Mr. Allen at the above address in order to arrange a time and date for such inspection. Copies of such pertinent data can be obtained at the expense of the requesting party.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plats, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

By Pre-Application Notice dated March 16, 2007, applicant advised the Commissioner of Conservation, the District Manager and all Interested Owners, Represented Parties and Interested Parties of applicant's intention to apply for the hearing which is the subject of this application. Applicant received no request for a conference, and accordingly, no conference will be held.

A check in the amount of \$1,510.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussand, Shreveport District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

WTAIII:kmw Enclosures Wm. Timothy Allen III
Attorneys for Justiss Oil Company, Inc.

cc: Mr. James C. Broussard

Office of Conservation, Shreveport District Manager, La. (w/enclosures)

cc: Interested Owners, Represented Parties and Interested Parties (w/copy of plats)



